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SUBJECT: ISRAEL MEDIA REACTION

SUBJECTS COVERED IN THIS REPORT:

- ¶1. U.S.-Israel Relations
- 12. Mideast
- **¶**3. Iran
- ¶4. Aftermath of Israeli Elections

Key stories in the media:

All media reported that PM Ehud Olmert is convening the diplomatic-security cabinet today to discuss the release of Gilad Shalit in exchange for hundreds of Palestinian prisoners. Israel Radio reported that the cabinet will not discuss the prisoners names. The media quoted Olmert as saying yesterday that Shalit may not be freed during his tenure. HaQaretz quoted senior IDF and defense establishment officials as saying that Israel is mostly to blame for the delay in carrying out the Shalit release and truce deals. The media reported that Hamas is opposed to releasing Shalit as part of the truce. Leading media reported that the Shalit family warns that this is the last chance to save Gilad. On the other hand, the media reported that the far Right will fight the deal and that bereaved families hurt by terrorism are divided over whether to carry it out.

The media reported that today President Shimon Peres will begin consulting with all the parties on who should be the next prime minister, with neither Likud chairman Benjamin Netanyahu nor Kadima chief Tzipi Livni having a clear advantage. The main question is whom Yisrael Beiteinu chairman Avigdor Lieberman will recommend. HaQaretz quoted sources close to Netanyahu as saying that Lieberman will recommend neither of the two candidates. Should that happen, neither would have a majority of 61 Knesset members behind them. Maariv quoted Kadima officials as saying that Lieberman is likely to recommend a rotational Likud-Kadima government. The Jerusalem Post quoted Likud Knesset Member Reuven Rivlin as saying: QWe canQt promise that there wonQt be ultra-Orthodox in the coalition. If you ask me to commit suicide, I wonQt.Q HaQaretz reported that LiebermanQs attitude is infuriating some of his partyQs field activists, many of whom are former Likud members.

Yediot reported that, prior to her first visit to Israel early next month, Secretary of State Hillary Rodham Clinton will attend a conference of chiefs of states in Cairo to raise funds for Gaza.

Leading media cited yesterdayQs report in the British daily The Daily Telegraph that quoted Western intelligence analysts as saying that Israel is assassinating Iranian nuclear scientists as part of a covert war against the Islamic Republic's illicit weapons program. The British newspaper said that Mossad was rumored to be behind the death of Ardeshire Hassanpour, a top nuclear scientist at Iran's Isfahan uranium plant, who died in mysterious circumstances, allegedly from "gas poisoning" in 2007. Other recent deaths, say analysts, are Israeli "hits" on important figures in the procurement and nuclear enrichment process and were intended to deprive Tehran of key technical skills at the head of the program. The Daily Telegraph also quoted intelligence sources in the U.S. as saying that Israel is using sabotage, front companies, and double agents to disrupt the regime's weapons project as an alternative to direct military action. Israel has been carrying out similar covert activities for about a decade, ever since Iran was first suspected of seeking nuclear weapons. U.S. journalist James Risen wrote recently that the CIA and the Mossad have planned together several operations to sabotage the Iranian program, including damaging power lines to nuclear sites in order to damage computer systems and equipment. The Jerusalem Post citing reports appearing in the Russian media yesterday according to which Russia is unlikely to go ahead at this time with the sale of state-of-the-art S-300 $\,$ anti-aircraft missiles to Iran, in an effort to improve MoscowQs ties with the new U.S. administration.

Maariv quoted Amos Gilad, who heads the Defense Ministry's political-security bureau, as saying that Olmert behaves as if Egyptian President Hosni Mubarak is in IsraelQs employ and that the Prime MinisterQs Office has not performed properly in the matter of ShalitQs release.

Yediot and The Jerusalem Post quoted JaneQs Defense Weekly as saying, based on recent satellite images, that Syria has substantially increased its efforts to develop and produce chemical warfare materials for its ground-to-ground missiles.

The Jerusalem Post reported that yesterday Israeli diplomatic officials brushed off plans by Jordanian parliamentarians to file a lawsuit against Israel at the International Criminal Court in The Hague for alleged war crimes stemming from Operation Cast Lead.

HaQaretz and other media cited a statement issued yesterday by the organizers of the Dubai Tennis Championships that Israeli tennis star Shahar Peer was denied entry to the UAE in order to ensure her personal safety, given the spate of anti-Israeli protests at sporting events since the Gaza operation. The snub brought swift denunciations from the WomenQs Tennis Association and warnings that it could consider scratching Dubai from its calendar. The media reported that Israeli tennis player Andy RamQs participation in another Dubai tournament is also in doubt.

Israel Radio reported that a mortar shell landed in the Negev yesterday and that a rocket landed today.

The Jerusalem Post reported that Hizbullah leader Sheikh Hassan Nasrallah made his first comments this week about the Israeli election results, telling his supporters that they should not fear the rising power of Yisrael Beiteinu, despite the radical rhetoric of its chairman, Avigdor Lieberman.

The Jerusalem Post and other media reported that a new puppet host -- a bear named Nassur, appeared Friday on HamasQs Al Aqsa-TV, promising to be a jihad fighter and declaring war on the QZionists.

The Jerusalem Post and other media quoted IranQs judiciary as saying yesterday that seven Iranian members of the BahaQi faith who are being held on suspicion of spying for Israel may be indicted by next week.

Media named the chemist who allegedly supplied cyanide to Palestinians as Miriam Dumfrucht.

The media reported that in the next few weeks Golan Druze will be marketing 8,000 tons of apples to Syria through the Israel-Syria border.

The media reported that the GOIQs National Employment Service predicts that one-tenth of Israelis will be unemployed by the end of the year.

1. U.S.-Israel Relations:

Summary:

Conservative columnist Gen. (res.) Yaakov Amidror wrote in the independent Israel Hayom: QThe panic that some elements are trying to sow regarding the future of Israel-U.S. relations under a specific prime minister is baseless.

Block Quotes:

"The U.S., after Our Elections"

Conservative columnist Gen. (res.) Yaakov Amidror wrote in the independent Israel Hayom (2/18): QThose warning of horror scenarios of American punishment [of Israel] are wrong and misleading. This does not mean that Israel should ignore its relationship with the U.S. -Q on the contrary. Every future prime minister will have to take such relations into account, consider the United States desires and interests, endeavor to consider its important steps with it, and be attentive to its advice Q of course pursuant to IsraelQs interests. The conclusion to be drawn from the long experience of the relationship with the Americans is that a prime minister who will be open and reliable with his U.S. counterparts will be welcomed, even if differences arise on various modi operandi. The panic that some elements are trying to sow regarding the future of Israel-U.S. relations under a specific prime minister is baseless.

¶2. Mideast:

Summary:

The independent, left-leaning Ha'aretz editorialized: QIt would be a mistake to make the two [following] issues interdependent. [However], the next government should find its table cleared of the need to deal with the truce and the return of the abducted soldier.

The conservative, independent Jerusalem Post editorialized: QBetween Iran's quest for nuclear weapons, the power vacuum in

Pakistan-Afghanistan, and the need to preserve relative stability in Iraq, the [U.S.] administration will, no doubt, want to prioritize its Middle East agenda accordingly.

Block Quotes:

"A Deal that Must Not Be Missed" ¶I.

The independent, left-leaning Ha'aretz editorialized (2/18): QThe outgoing government must complete Operation Cast Lead by formalizing relations with the Gaza Strip and bringing back Gilad Shalit. These are the two tasks that remain for Olmert, who has thus far failed to accomplish them. It would be a pity if he misses the opportunity Israel now has.... [Nevertheless], it is hard to believe that Hamas will now ease up on its demands because of concerns about the change of government in Jerusalem. Therefore it would be a mistake to make the two issues interdependent. Israel needs calm in the south just as much as Hamas does, to be able to concentrate on the complex challenges posed by Iran and the recession. It must accept the reasonable proposal formulated with Egypt's help for a cease-fire in return for the renewal of economic activity in Gaza. In parallel, it must agree with Hamas on the number of prisoners to be exchanged for Shalit, their identity, and the manner of their release. The next government should find its table cleared of the need to deal with the truce and the return of the abducted soldier.

II. "ShariQa-for-Peace"

The conservative, independent Jerusalem Post editorialized (2/18): QThe decision to trade ShariQa-for-peace appears to reflect a bad trend in the Muslim (and Arab) world whereby radicals stick to their guns, and moderates capitulate. Even if the Taliban could be satiated with QjustQ Afghanistan and Pakistan, these vast lands would become -- even more than they already are Q save havens and launching pads against the QinfidelsQ.... U.S. envoy to Pakistan and Afghanistan Richard Holbrooke, who is just completing a tour of the region, called the Swat deal proof that India, the United States, and Pakistan Qall have a common threat now.Q If only that were true. If only matters were that clear-cut.... Between Iran's quest for nuclear weapons, the power vacuum in Pakistan-Afghanistan, and the need to preserve relative stability in Iraq, the administration will, no doubt, want to prioritize its Middle East agenda accordingly.

13. Iran:

Summary:

Senior military affairs analyst Reuven Pedatzur wrote in the independent, left-leaning Ha aretz: QUnfortunately, for the time being Israeli policy is based on active defense... Only deterrence will prevent Iran from using its nuclear weapons.

Block Quotes:

"ItQs Possible to Live with Iran"

Senior military affairs analyst Reuven Pedatzur wrote in the independent, left-leaning Ha aretz (2/18): QOne of the most urgent strategic issues the new government will have to deal with is Iran. The cabinet will have to choose one of four options for addressing the Iranian threat, or a combination thereof: active defense, passive defense, attack, and deterrence. The significance of the choice will be seen in the huge budgets that will have to be

directed to the options chosen. The choice of one or more of the first three options is liable to turn out to be a major strategic mistake. Unfortunately, such a choice has already been made, because for the time being Israeli policy is based on active defense.... Hopefully the cabinet will be presented with the strategic doctrine developed in the United States during the Cold War and adopted by the Soviet Union, whereby countries must not rely on active defense. After all, it is enough for two nuclear missiles to hit the greater Tel Aviv area for the price to be unbearable. [Eventually], what remains is the fourth option, which is conditional on the reliability of foreign sources: deterrence. There is a need to invest in this, though not a lot. According to foreign sources, Israel has managed to build up a deterrent capability, including a second-strike capacity from submarines. Only deterrence will prevent Iran from using its nuclear weapons. Only the knowledge that Iran's cities will become heaps of rubble if a single rocket is launched at Israel will dispel from the minds of Iran's leaders the thought of a nuclear strike. The choice of the correct option will not only save a lot of money, it will ensure Israel's security.

14. Aftermath of Israeli Elections:

Summary:

Former Editor-in-Chief David Landau wrote in the independent, left-leaning Ha'aretz: QWe voted for [Tzipi Livni] out of strategic considerations. But it seems that this did something for her. And maybe, please God, for us as well.

Liberal columnist Gideon Samet, a former Consul in Philadelphia, wrote in the popular, pluralist Maariv: QLivni apparently fears the chill of sitting in the opposition. Furthermore, [a unity government] is all that the bad cards that the Israelis dealt last week can yield.

Block Quotes:

"We Have a Leader"

Former Editor-in-Chief David Landau wrote in the independent, left-leaning Ha'aretz (2/18): QWhat we are lacking, what we really need, is someone who has been blessed with a healthy dose of common sense — the rare commodity that is so often dismissed as unimportant. Someone who understands, really understands, to the depths of her being, that our time as a country is running out, and that without two states, there will be only one state — theirs. It seems that we have alighted on such a person. But she is still weak and fragile, surrounded by shallow, cynical politicians who are not fit partners for her, given the importance of the moment and the scale of the dangers. We voted for her out of strategic considerations. But it seems that this did something for her. And maybe, please God, for us as well.

II. QThis Will End in Unity

Liberal columnist Gideon Samet, a former Consul in Philadelphia, wrote in the popular, pluralist Maariv (2/18): QWhat is currently missing in the formation of a unity government is a rotation. This is the main issue that [President Shimon] Peres must solve. This isnQt complicated when Netanyahu is under pressure.... Kadima would normally have joined Labor on the opposition backbenches. But this will not happen... Livni apparently fears the chill of sitting in the opposition. Furthermore, this is all that the bad cards that the Israelis dealt last week can yield. Fasten your seat belts.

CUNNINGHAM